

CIA INTERNAL USE ONLY

8 October 1969

MEMORANDUM FOR THE RECORD

SUBJECT: Retirement Legislation

STATINTL

1. This date a meeting was held to identify the amendments to the CIA Retirement Act to be proposed to our legislative committees and to review for recommendation to Colonel White the various courses of action available to us in connection therewith. Attending were Messrs. Maury, Coffey, Warner, [REDACTED]

2. The attached package was distributed to the attendees prior to the meeting.

3. It was agreed that:

a. The five Daniels/McGee bill benefits were of overriding importance and that no other substantive provisions should be proposed lest they "muddy up the waters."

b. The procedural administrative authority proposal should be broached informally with the committees because:

(1) the Daniels/McGee bill development offers a unique opportunity to illustrate that it would be an efficient and effective method for picking up the five Daniels/McGee bill benefits and the five specific liberalizations to the Civil Service system enacted subsequently to the CIA Retirement Act,

(2) it would facilitate for the Agency and the committee the updating of the CIA Act to future liberalizing amendments to the Civil Service Act by avoiding the lengthy delays associated with the processing of legislation, and

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(3) it would reduce, if not eliminate, the foreseeable need for bringing CIA legislation to the floor with the attendant risks of generating ungermane controversy.

c. It would not be counterproductive to the Agency's interests, however, to review with senior staff members on our legislative committees those specific changes in the CIA Act not covered under "a" and "b" above but which we may like to see adopted some time in the future (item "c" of attachment). In this connection [] said that in three years we would probably exhaust the 400 statutory limit on retirements which expires 30 June 1974.

d. It would be premature to contact BOB at this time since we do not know what their recommendation to the President will be on the Daniels/McGee bill.

4. Funding. The question of whether the funding provisions of the Daniels/McGee bill should apply to the CIA retirement fund was discussed with inconclusive results. Generally, it was felt that the funds were not comparable in view of the differences in the magnitude of the funding problem and in normal costs (the required five year actuarial study of the CIA fund will not be completed before the end of the month). It was tentatively concluded that, aside from political considerations, it was possibly premature to determine the type of funding needed to assure that the fund has a sound financial basis. Mr. Coffey agreed to look into this area further.

5. Summary. It was agreed that Mr. Maury would seek a meeting with Colonel White, with Messrs. Bannerman, Warner, and [] attending, to review the outcome of the meeting and to obtain his views on the courses of action outlined in paragraph 3.

STATINTL

Assistant Legislative Counsel

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